

● (3:30 p.m.)

An hon. Member: It is still a reflection on Mr. Speaker.

The Chairman: Order, please. The motion that I have is unacceptable as it is. I will read it to the committee—it will then become clear why it is unacceptable.

An hon. Member: Why read it, then?

The Chairman: I should like to read it so that my ruling might be understood by all members of the committee. It is moved by Mr. Macdonald (Rosedale):

That the committee do rise and report progress for the purpose of hearing the question of privilege of the hon. member for Okanagan Boundary.

My decision is that the latter part of the motion is a substantive question, and that it is therefore out of order at this point.

Mr. Baldwin: Mr. Chairman, could you call the first order of business, so that we might know what is to be the first item to be discussed in committee of supply, and prepare for it now?

The Chairman: Under our standing orders it is the option of the government to bring forward the business to be discussed in the committee of supply, and the Chair does not have any business before it right now.

Some hon. Members: Oh, oh.

Mr. Macdonald (Rosedale): With great respect, I indicated to the Clerk of the House that we would be considering the estimates of my colleague the Minister of Finance.

The Chairman: I apologize. I have not yet been advised of that.

Mr. Knowles (Winnipeg North Centre): I wish to say a few words on the main item of the estimates of the Department of Finance, which department I believe is now before the committee.

The Chairman: Order, please. I thought the hon. member was possibly rising on a point of order. I have not put the business formally.

DEPARTMENT OF FINANCE

1. Departmental administration including administration of the guaranteed loans acts, the Inspector General of Banks' office, and payments to provinces as detailed in the estimates, \$3,970,500.

The Chairman: The house in committee of supply, revised estimates of the Department of Finance for the fiscal year ending March 31, 1969. Vote No. 1 will be found at page 138

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of the blue book; details thereof are listed at page 142.

Mr. Hees: A few moments ago, Mr. Chairman, I asked the Minister of Finance whether in view of the very sharp increase in the excess of expenditures over revenue during the past few months the government intended to take steps to correct the situation so as to bring expenditure and revenue into better balance. The minister replied by saying, in effect, that we should not pay too much attention to statements of that kind, that the main thing was: How is the country doing? It was something to that effect.

Mr. Benson: Oh?

Mr. Hees: Was that not the case?

Mr. Benson: Perhaps the hon. gentleman would allow me to clarify the position. What I was saying was this: Monthly figures, unless they are seasonally adjusted, are very misleading, and I have no reason to believe that the estimates as presented in the budget for the current fiscal year will be materially different from the final figure for the year as a whole.

Mr. Hees: All we can believe, Mr. Chairman, are the statements which the minister himself puts out under his name. I should like to read a *Canadian Press* report which appeared in the paper on Saturday. The *Canadian Press* is, of course, a very reputable organization, not known to exaggerate or to take political sides at any time. It is in fact an organization supported by all the newspapers in Canada to give factual reports of the news. Here is what the *Canadian Press* had to say, under the heading "Spending gets further ahead of revenues" and datelined at Ottawa:

Federal spending is outstripping revenues by a larger amount than in 1967.

A statement by finance minister E. J. Benson giving figures for the first seven months of the current fiscal year which began last March 31 shows a deficit of \$83.1 million with budgetary revenues of \$5,392,300,000 and spending of \$5,475,400,000.

The deficit for the same period last year was \$65.7 million, with revenues of \$5,009,700,000 and spending of \$5,075,400,000. In October this year—

—The month during which the minister made his budget statement—

—spending at \$911 million outran revenues of \$859.8 million by \$51.2 million. In the same month in 1967 there was a deficit of \$18.1 million on spending of \$750.2 million and revenues of \$732.1 million.